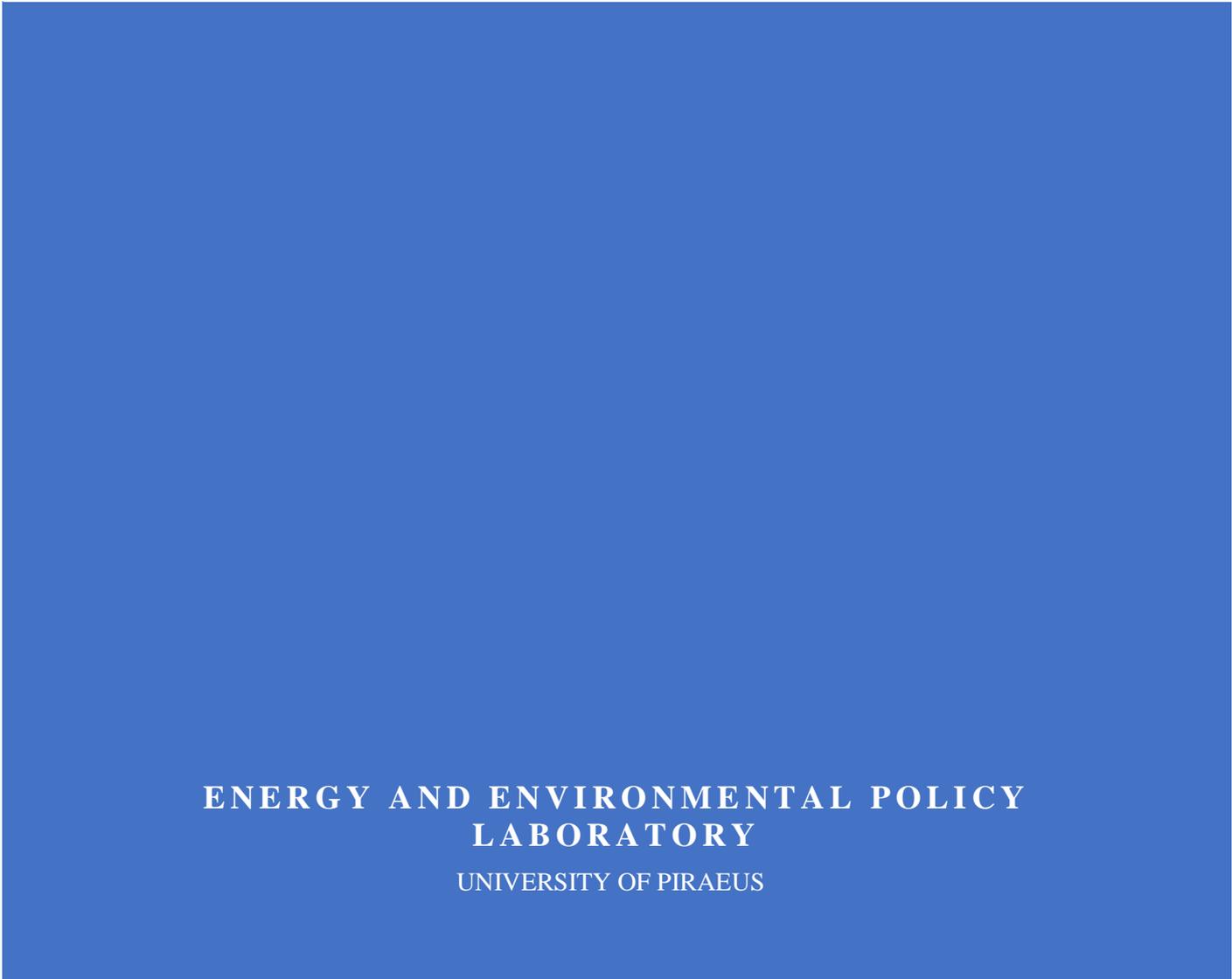




# OCTOBER 2017 NEWSLETTER



**ENERGY AND ENVIRONMENTAL POLICY  
LABORATORY**

UNIVERSITY OF PIRAEUS



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## Editorial

We welcome you to our first effort to deliver a monthly newsletter concerning the major news & headlines of Energy Policy and some topics of Environmental Policy that shape energy trends locally & globally.

This newsletter can be a useful tool for policy makers, as a reference point for the news that shape the trends of the energy market and for everyone else with an interest in global affairs and energy policy.

I would like to thank Stavros Karagiannakis for coordinating this initiative and the rest laboratory members, namely Yurii Bilen, Dimitris Efstathiou, Georgia Fekou, David Fusiek, Stavroula Karabatos, Athanasia Karamerou, Evangelia Karatsoli, Despoina Katsika, Eleni Manioudaki, Christos Mavrogiannis, Miltiadis Nistas, Despina Papadopoulou, Theodosios Perifanis, Sapfo Prassa and Labrini Zisi, for sharing their insights in this rapidly changing environment.

31 October 2017

Athanasios Dagoumas, Director of the Energy and Environmental Policy laboratory, University of Piraeus

## ELECTRICITY

### **Agreement on statistical transfer of renewable energy amounts between Lithuania and Luxembourg**

The European Commission congratulates Lithuania and Luxembourg for the first ever cooperation agreement on the statistical transfer of renewable energy amounts as stipulated in the Renewable Energy Directive. The agreement signed today (26 October 2017) helps Luxembourg achieve its national renewable energy target for 2020 by receiving a statistical transfer of a specified amount of renewable energy produced in Lithuania. Lithuania reached its national

renewable energy target for 2020 in 2015 and aims to further develop renewable energy in its economy.

[Read more](#)

Christos Mavrogiannis

### **Work on Israel-Cyprus-Greece electricity link to start 2018**

The 1,520-kilometer (945-mile) undersea electric cable with a 2,000-megawatt capacity will be able to both receive and transmit electricity. Work on the cable is expected to last until 2022 and its first phase will have an estimated cost of around 3.5 billion euros (\$4.13 billion).

[Read more](#)

Yuriy Bilen

### **Household and business benefit from falling EU prices**

Electricity and gas retail prices generally fell in the EU for both household and industrial consumers. European households paid 8.4% less for their gas in 2016 compared to 2015, mostly thanks to improved gas markets, while the electricity household prices went down by 2.1% - first registered decrease for households since 2008 - thanks to the steady decline of electricity wholesale prices in recent years.

[Read more](#)

Christos Mavrogiannis

### **German day-ahead power prices surge to nine-month high on low wind**

Short-term traded power has witnessed high volatility in Germany in last weeks on fluctuations in wind production. The German day-ahead baseload jumped by 35% or Eur13/MWh to Eur50/MWh -- a nine-month high. The phenomenon of accelerated day ahead prices in Central Europe are expected to be overseen in the upcoming months, as a result of expected



tight nuclear supply in Germany and France, high winter demand and low wind production.

[Read more](#)

Athanasios Dagoumas

## RENEWABLES

**Renewables will allow access to electricity to more people than coal**

The number of people without access to electricity is expected to decline more than 30 percent by 2030, with 60 percent of this increase attributed to renewable energy. The renewable energy has become more affordable over the past years, that fact in combination with the reality that for the people who are the hardest to reach, who live in remote, rural areas, off-grid solutions are more suitable which are usually based on renewable energy.

[Read more](#)

Yuriy Bilen

**China clean energy firms face \$30 billion subsidy shortfall**

China will struggle to pay billions of yuan in subsidies to clean energy companies, with the shortfall set to quadruple by 2020, a government official said, underscoring the cost of funding the country's ambitious renewables push. The total shortfall by 2020 will be 200 billion yuan (\$30.2 billion), up from 50 billion yuan last year, Dongming Ren, director of the National Development and Reform Commission's Energy Research Institute, told an industry conference.

[Read more](#)

Evangelia Karatsoli

## OIL

**IMF, End of the Oil Age: Not Whether But When**

A transportation revolution is underway that could completely transform the oil market in the coming decades.

Sheikh Zaki Yamani once said that the stone ages did not come to an end due to the lack of stones and oil age will not come to an end due to the lack of oil. Many remembered this prophecy as shale oil revolution arose. But the supply shocks might not be the downfall of oil, as they were the major reason for oil price collapse. New technologies like electric vehicles and increased fuel efficiency pose a threat to oil producers and traders. Automobiles account for the 45% of oil consumption and Volvo announced that by 2019 its cars will have electric motors. Is this the sign for abandoning the oil status quo?

[Read more](#)

Theodosios Perifanis

**Russia's Gazprom Neft eyes cooperation with Saudi Aramco in hard-to-recover oil**

Russia's Gazprom Neft will work with the world's largest oil producer Saudi Aramco in hard-to-recover oil production and on a technology known as hydraulic fracturing.

[Read more](#)

Dimitris Efstathiou

**OPEC Says 'All Options Are Open' With Compliance at Record as JMMC reports highest conformity level ever**

Sheikh Zaki Yamani once said that the stone ages did not come to an end due to the lack of stones and oil age will not come to an end due to the lack of oil. Many remembered this prophecy as shale oil revolution arose. But the supply shocks



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[Read more](#)

Stavroula Karabatos

## GAS

**Market flexibility is improving thanks to LNG and markets currently well supplied but gas security remains a concern**

The LNG market is getting more and more interconnected while at the same time the supply availability is prospering. However, and according to the IEA's second Global Gas Security Review, in order for the global gas system to be resilient, energy security issues must be taken under serious consideration especially after tensions in Saudi Arabia (Qatar) and the EU (Ukraine).

[Read more](#)

Eleni Manioudaki

**The world's largest LNG import ship is on its way from South Korea to help Turkey through the winter**

The world's biggest specialized vessel to import liquefied natural gas, a cheaper and quicker solution than a land-based facility, is on its way to help with imports of the fuel mainly used for heating and power generation.

[Read more](#)

Dimitris Efstathiou

**Next wave of US LNG export facilities could face credit risk**

Cheap, abundant US supplies of natural gas combined with forecasts of growing global LNG demand early next decade are not enough to ease the uncertainty facing the next wave of LNG export projects, S&P Global Ratings said Tuesday, citing high construction costs and the challenges in securing long-term supply contracts.

[Read more](#)

Dimitris Efstathiou

**Algeria's Sonatrach eyes JVs with natural gas traders as part of new sales strategy: CEO**

Algeria's Sonatrach is looking to create joint ventures with trading companies for the marketing of its gas as the state-owned firm moves toward a new gas sales strategy.

[Read more](#)

Dimitris Efstathiou

**Russia's Rosneft to take control of Iraqi Kurdish pipeline amid crisis**

Russia's biggest oil company, Rosneft, has agreed to take control of Iraqi Kurdistan's main oil pipeline, boosting its investment in the autonomous region to \$3.5 billion

[Read more](#)

Dimitris Efstathiou

**China Set To Continue Crude Oil Buying Spree, IEA Says**

International Energy Agency, estimates that China, despite having a stock of 850 million barrels of crude oil, will continue to buy more crude oil until it reaches its full capacity (estimated in between 800 to 1 million barrels) in the period of the next six months. Although, there is margin of error as China's initial rise in imports of crude oil



in the beginning of the year has lowered significantly the previous months.

[Read more](#)

David Fusiek

## **ENERGY POLICY**

### **How Saudi Arabia Is Building Its \$2 Trillion Fund**

Saudi Arabia is stepping up plans to turn its sovereign wealth fund into a global giant. A coming-out party of sorts for the Public Investment Fund, which is central to the government's effort to diversify the economy away from oil, under a plan known as Vision 2030. The Saudis are hosting the titans of investing and finance at a summit that aims to raise the profile of the PIF, which could eventually control more than \$2 trillion, according to Crown Prince Mohammed bin Salman. That explains why many eyes will be on -- and private jets winging toward -- the Saudi capital.

[Read more](#)

Stavros Karagiannakis

### **EIA-Saudi Arabia Country Analysis Brief**

Saudi Arabia has 16% of the world's proved oil reserves, is the largest exporter of total petroleum liquids in the world, and maintains the world's largest crude oil production capacity at roughly 12 million barrels per day.

[Read more](#)

Stavros Karagiannakis

### **EIA-Ecuador Country Analysis Brief**

Ecuador's energy mix is dominated by oil, although it's challenging investment environment and lack of domestic refining

capacity limit oil revenues. Ecuador's hydrocarbon resources are exclusively owned by the state, and state-owned oil companies account for most of the production.

[Read more](#)

Stavros Karagiannakis

## **EU ENERGY POLICY**

### **Continued gas wholesale market integration, but electricity market integration at risk**

The latest ACER-CEER Market Monitoring Report (MMR), whose wholesale and retail volumes were published today, shows that for electricity wholesale markets the limited amount of cross-zonal capacity made available for trading by TSOs is one of the most significant barriers to further market integration in Europe. Ensuring the equal treatment of internal - within bidding-zones - and cross-zonal exchanges, as well as increasing the level of TSO coordination, are utmost priorities to overcome this situation.

[Read more](#)

Christos Mavrogiannis

### **Additional EUR 1.5 million for energy efficiency in BiH.**

Within the project "Green Economic Development" (GED) EUR 1.5 million will be invested in 22 kindergartens, schools and hospitals in Bosnia and Herzegovina next year, in order to improve their energy efficiency.

[Read more](#)

Sapfo Prassa



## **EIB supports gas supply improvements and diversification in Europe with EFSI guarantee**

The European Investment Bank (EIB) is lending EUR 50m to Transgaz, the national gas transmission company of Romania, to finance the construction of a new European gas transmission corridor to increase security of gas supply and to reduce energy dependence by making it possible to diversify gas supply routes and sources. This operation is backed by the European Fund for Strategic Investments (EFSI) under the Investment Plan for Europe (IPE).

[Read more](#)

Despina Papadopoulou

## **€240 million awarded to Horizon 2020 projects**

INEA has signed grant agreements with all 32 projects selected for funding in the smart cities, smart grids and storage and six other energy topics (incl. next-generation of biofuels, RES technologies market uptake and carbon capture) of the 2016 - 2017 Competitive Low-Carbon Energy call. The projects will receive in total €240 million from the EU's Horizon 2020 program to develop new clean energy solutions.

[Read more](#)

Christos Mavrogiannis

## **Nearly €1.5 billion requested for CEF Energy projects**

The Innovation and Networks Executive Agency (INEA) has received 26 proposals by the 12 October deadline for the 2017 Connecting Europe Facility (CEF) Energy call requesting nearly €1.5 billion in total EU funding. The total available budget for the call is €800 million. Evaluation of the

proposals with the help of external experts will start by mid-November.

[Read more](#)

Christos Mavrogiannis

## **Focus on Finland: The Energy Union tour**

European Commission Vice-President for Energy Union Maroš Šefčovič arrived in Finland on 12th of October for the Energy Union tour. The Energy Union is the EU's strategy to ensure that European citizens have access to secure, affordable and clean energy. Discussions were focused on the Energy Union, the financial instruments it will make available to Finland to support development activities and energy innovation, and the country's national energy and climate plan. Ongoing improvements to energy interconnection infrastructure in the Nordic and Baltic regions were also on the agenda.

[Read more](#)

Despina Papadopoulou

## **ENVIRONMENTAL POLICY**

### **Climate finance: EU and member states' contributions up to 20.2 billion euros in 2016.**

Contributions from the EU and its member states to support developing countries in reducing their greenhouse gas emissions and coping with the impacts of climate change amounted to 20.2 billion euros in 2016, a significant increase compared to 2015.

[Read more](#)

Miltiadis Nistas



## **New upcoming standard from ELOT for sustainable and smart cities.**

On Friday 13th of October 2017, ELOT in cooperation with Central Union for municipalities (KEDE) presented the draft of the upcoming Greek standard ELOT ISO 37101: 2017. Based on ISO 37120:2014 «Sustainable development of communities -Indicators for city services and quality of life», ELOT ISO 37101 «Sustainable development in communities — Management system for sustainable development — Requirements with guidance for use» is the Greek proposal for sustainable and smart cities. It includes standard indicators concerning economy, social cohesion, resiliency, education, use of renewable and sustainable energy, greenhouse gas emissions, finance, response in emergencies, citizen's representation, health, urban planning and greenery, transportation systems, telecommunications, safety, housing, water and sanitation, waste management, openness, inclusiveness and local driven ones such as culture, tourism in cities and innovation.

[Read more](#)

Athanasia Karamerou

## **Britain presents spending plan to meet climate emission targets.**

Britain's government laid out plans (12/10) on how it will invest over 2.5 billion pounds (\$3.31 billion) from 2015-2021 on science, research and innovation to help reduce carbon dioxide emissions to meet its legal targets for helping tackle climate change. The funding will cover programs in the energy, transport, agriculture and waste sectors under the Clean Growth Strategy. As a part of the funding around 900 million pounds will be spent on innovation. It will also invest up to 100 million pounds in technology to capture, use and store

carbon dioxide emissions and in industrial innovations to drive down emissions.

[Read more](#)

Evangelia Karatsoli

## **India and EU strengthen partnership to implement the Paris Agreement and boost clean energy cooperation.**

The EU and India have adopted a historic Leaders' Joint Statement on clean energy and climate change. The statement was endorsed by leaders at the EU-India summit in Delhi on 6 October 2017. India and the EU are major players in the clean energy transition and the global efforts to mitigate and adapt to the effects of climate change. Both have been instrumental in the swift ratification of the Paris Agreement.

[Read more](#)

Miltiadis Nistas

## **Twelve big cities to buy zero emissions buses, extend green areas.**

The 12 (including London, Paris, Los Angeles, Barcelona) set as a priority the promotion of walking, cycling and the use of public transport under the "fossil-fuel-free streets declaration" , by using only zero-emissions buses from 2025. Furthermore, promised the creation of major areas free of fossil fuel emissions by 2030 to protect the environment.

[Read more](#)

Georgia Fekou

## **ASEAN Countries Join Forces for Climate Action: Focus on Transparency and Carbon pricing.**

At a recent event in Singapore supported by UN Climate Change, nine South East Asian Nations have committed to take an



approach to measuring, reporting and verifying greenhouse gas emissions, so as to promote regional collaboration on carbon markets. ASEAN countries are looking at better monitoring and reporting of carbon emissions, in order to spur investment in the region, and simultaneously achieve emission reductions at lower costs. The countries have agreed to properly and accurately measure domestic emissions and track their progress towards reducing them.

[Read more](#)

Labrini Zisi

**First Greek “smart” battery for households in February 2018.**

An attractively designed working model of the first Greek-designed lithium ion “smart” battery for households will be ready for domestic consumers in February, 2018, Vasilis Nikolopoulos, the co-founder and CEO of Greek firm Intelen Inc has told the Athens-Macedonian News Agency (ANA) radio station ‘Praktorio 104.9 FM’. This smart battery would allow households to store up energy, when prices are low and then use the stored power when prices are high.

[Read more](#)

Despoina Katsika